



Digitally  
signed by  
Christal Dennis  
Date:  
2018.06.12  
13:07:05  
-04'00'

May 4, 2018

**VIA FIRST CLASS MAIL**

Federal Election Commission  
1050 First Street, NE  
Washington, District of Columbia 20463

**MUR 7348: Response of Friends of Michael Grimm, Nancy Watkins, Treasurer**

To Whom It May Concern:

On behalf of Friends of Michael Grimm (the "Committee") and Nancy Watkins, in her official capacity as the Committee's Treasurer, I submit this response to the Complaint filed by Donna Fagan in MUR 7348.

The Complaint alleges that Michael Caputo made in-kind contributions of his personal services to the Committee. The Complaint identifies Mr. Caputo as "a partner in Caputo Public Relations," asserts that he "makes his living[] working through his company as a communications consultant for . . . political candidates," and speculates that it is "highly unlikely he would give away his services to the Grimm Campaign."

As evidence of its claims, the Complaint cites six instances in which Mr. Caputo appeared or was identified in the media as the Committee's adviser or spokesman, all occurring between September 29, 2017 and January 5, 2018. The Complaint observes that the Committee's 2017 Year-End Report "fails to show any payment to Mr. Caputo, or his company, or any expenses for travel, etc. having been reimbursed to Mr. Caputo or his campaign [sic]." "Nor does the Grimm FEC report," the Complaint continues, "indicate any debt owed to Michael Caputo or his firm Caputo Public Relations, or any in-kind contributions by Mr. Caputo or his firm."

Thus, the Complaint charges, "it would appear that Mr. Caputo, and/or his firm Caputo Public Relations has made in-kind contributions which were likely over the federal limit," and that "the failure of the Grimm campaign to report these excessive in-kind contributions or to properly report debts and or [sic] payments made to Mr. Caputo and/or his firm constitutes violations of 52 U.S.C. § 30104(b) and 30116(a)."

CHRIS ASHBY  
T 202-281-5463  
E CHRIS@ASHBY.LAW  
S @ASHBYLAW  
WWW.ASHBY.LAW

CAMPAIGN FINANCE  
ELECTION LAW  
LOBBYIST REGULATION  
GOVERNMENT ETHICS



At bottom, the Complaint is founded entirely on the mistaken premise that Caputo Public Relations is a vendor to the Committee. It is not. While it is true that Mr. Caputo is a partner in Caputo Public Relations, he also is Managing Director of Zeppelin Communications.<sup>i</sup> Through Zeppelin Communications, Mr. Caputo has provided communications consulting services to the Committee. The Committee in turn has paid Zeppelin Communications timely and fully for Mr. Caputo's work on its behalf.<sup>ii</sup>

Specifically, to date the Committee has received invoices and made payments to Zeppelin Communications as follows:

Invoice Date	Service Period	Date Received	Invoice Amount	Date Paid	See Exhibit
1/19/2018	Oct. 2017	1/19/2018	\$5,000.00	2/2/2018	2
2/28/2018	Nov. 2017	2/28/2018	\$5,000.00	3/1/2018	3
3/23/2018	Dec. 2017	3/23/2018	\$5,000.00	5/2/2018	4

The Committee disclosed the first two payments to Zeppelin on its April 2018 Quarterly Report. The Committee will disclose the third payment on its upcoming Pre-Primary Report. Thus, there has been no in-kind contribution, let alone an excessive or unreported one, and there is no debt—neither to Mr. Caputo, nor to Caputo Public Relations, nor to Zeppelin Communications.

For these reasons, the Committee believes that the information in this response conclusively disproves the Complaint, and urges the Commission to dismiss it as unfounded, requiring no further action or involvement by Michael Grimm for Congress or Nancy Watkins, its Treasurer. The Committee also reserves the right to make further arguments regarding the ability of individuals to volunteer their personal services and incur associated travel expenses. See 52 U.S.C. § 30101(8)(a)(i), (iv); 11 C.F.R. §§ 100.74, 100.79(a)(1); MURs 5987, 5995 & 6015 (Sir Elton John); AOs 1987-25 (Otaola) & 1984-43 (Brunswick).

Sincerely,

Chris Ashby

<sup>i</sup> See <http://zeppcom.com/bios.html>.

<sup>ii</sup> The email chain attached as Exhibit 1 demonstrates that Mr. Caputo provided his services to the Committee through Zeppelin Communications, not Caputo Public Relations. In it, Jeffrey Souder, Zeppelin's Operations Director, sends the invoice to Mr. Caputo with the following message: "Here is our invoice for Michael Grimm for the month of October 2017." Mr. Caputo



---

then forwards the message to Mr. Grimm, stating "As we discussed, here's our first invoice – this one for 10/17." (I redacted this email message to remove individuals' email addresses, as well as statements regarding issues unrelated to this MUR.)

----- Forwarded message -----

**From:** Michael Caputo  
**Date:** Wed, Jan 31, 2018 at 2:47 PM  
**Subject:** Fwd: Friends of Michael Grimm Oct. 2017 invoice  
**To:** Michael Grimm

**M:** As we discussed, here's our first invoice - this one for 10/17. MC

----- Forwarded message -----

**From:** Jeffrey Souder  
**Date:** Fri, Jan 19, 2018 at 5:11 PM  
**Subject:** Friends of Michael Grimm Oct. 2017 invoice  
**To:** Michael Caputo

**Michael,**

Here is our invoice for friends of Michael Grimm for the month of October 2017.

**Jeffrey J. Souder**  
**Zeppelin Communications**  
**Operations Director**

**EXHIBIT 2**



**INVOICE FOR FRIENDS OF MICHAEL GRIMM**

**19JAN2018**

**OCTOBER 2017 Public Relations Services**

**\$ 5,000.00**

**TOTAL DUE UPON RECEIPT**

**\$ 5,000.00**

**PLEASE MAIL PAYMENT TO:  
Zeppelin Communications  
578 Main Street  
East Aurora, NY 14052**

*Paid 2/2/18 Check # 1005*

**EXHIBIT 3**



**INVOICE FOR FRIENDS OF MICHAEL GRIMM**

**28FEB2018**

**November 2017 Public Relations Services**

**\$ 5,000.00**

**TOTAL DUE UPON RECIEPT**

**\$ 5,000.00**

**PLEASE MAIL PAYMENT TO:  
Zeppelin Communications  
578 Main Street  
East Aurora, NY 14052**

*Paid 3/1/18 Chk # 1009*

**EXHIBIT 4**



**zeppcom**

**INVOICE FOR FRIENDS OF MICHAEL GRIMM**

**23MAR2018**

**December 2017 Public Relations Services**

**\$ 5,000.00**

**TOTAL DUE UPON RECEIPT**

**\$ 5,000.00**

**PLEASE MAIL PAYMENT TO:**

**Zeppelin Communications**

**578 Main Street**

**East Aurora, NY 14052**

*Paid 5/2/18 Check #1023*